Record Connection

97/0070 478937-# Accesories

Vinyl Compact Discs

Cassettes

hirts Videos

7121 Hwy 90W Suite #140

"Connecting San Antonio & Music For Over 18 Years"

San Antonio, Texas 78227

U.S. Senate Committee of Commerce:

As an independent music retailer, I am petrified of your pursuit to eliminate the use of the Minimum Advertised Price (M.A.P.) polices. This policy in 1995 helped revive an ailing music industry, built around the establishment of new artists, retailers, wholesalers and a very large group of people who depend on music sales for a living. The music business has grown to a \$15 Billion dollar a year industry that affects many people both inside and outside our business.

In the early 1900's mass merchandisers started to sell CD's below cost to gain customers and a share of the market. This "LOSS LEADER" concept resulted in thousands of family owned independent retail stores and many major chains going out of business. Obviously, they could not compete with a company who sells CD's for below their own cost.

In 1995, major distributors started M.A.P. and saved my business along with thousands of other retail stores. There is no doubt in my mind that the price wars will start soon after the elimination of M.A.P. and my years of hard work and good honest business practices will end because you will allow mass merchandisers to sell items below cost with the sole purpose of recapturing that loss by raising prices on other items. You must understand, selling music below cost to increase customer traffic will only lead to higher prices as competition is eliminated in a few short years. Your decision will mean less money to encourage and develop new artists, the loss of ethnic and minority music and thousands of national chain and independent retailers and their employees out of work.

We were founded on the theory "Life, Liberty and the Pursuit of happiness..." Not "Life, Liberty and the pursuit of allowing me to sell CD's below cost so I can bring customers into my store and then sell them TV's, VCR's, and other items above what they're worth so I can recap my loss of the CD's and at the same increase my profit margin on the TV's and VCR's". I urge you to rethink the elimination of M.A.P. Small business and competition is what built this great country and the elimination a M.A.P. will mean it's destruction.

Thank you for your time.

Buddy Ruiz

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